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ECF

March 29, 2013

Hon. William F. Kuntz, II
United States District Court
Eastern District of New York
225 Cadman Plaza West
Brooklyn, New York

Re: Fischer et al v. Erste Group Bank AG et al
1:12-cv-03328-WFK-RER

Dear Judge Kuntz:

Our law firm represents plaintiffs in the above-captioned matter. This letter is being sent in order to advise the Court as to the status of plaintiffs' efforts to serve the three remaining defendants.

On December 7, 2012, following a status conference, the Court directed that plaintiffs serve the remaining defendants by today's date (March 29, 2013). The three defendants that remained to be served were: (1) Erste Bank Group AG ("Erste"), (2) Magyar Nemzeti Bank, and (3) MKB Bank Zrt. ("MKB").¹

1. Erste

Although Erste's counsel accepted service of process and has appeared in a related action pending in the United States District Court for the Northern District of Illinois (Holocaust Victims of Bank Theft v. Magyar Nemzeti Bank, Erste Group Bank et al, Case No. 10-cv-1884), it declined to accept service of process in this case. Consequently, plaintiffs' counsel, through Process Forwarding International ("PFI"), has sought to serve Erste under the Hague Convention through service on Erste Bank Hungary Zrt., 1138, Budapest Nefurdo U. 24-26, Hungary. The relevant papers, including a Hungarian translation of the Complaint, were received by the designated Hungarian authorities, but

¹ Defendant Bayerische Landesbank had already been served and had appeared through counsel as of the December 7, 2012 Court Conference.

confirmation by said authorities of completed service on Erste has not yet been received by PFI or plaintiffs' counsel.

2. Magyar Nemzeti Bank

Magyar Nemzeti Bank ("MNB") is also a defendant in the related action pending before Judge Samuel Der-Yeghiayan in the Chicago district court. Indeed, MNB's counsel entered into a stipulation regarding plaintiff Isachar Fisher's noticed deposition in this case scheduled to take place in Tel Aviv, Israel on March 6-7, 2013, preserving MNB's claim of sovereign immunity, which is an issue still pending before the Chicago district court. (See Stipulation attached hereto as **Exhibit A**).²

Nevertheless, MNB's counsel has also declined to accept service of process in this case, and plaintiffs' counsel, with the assistance of PFI, is attempting to obtain service of process through the Hague Convention on MNB, which is located at 1054 Budapest Freedom Square 8-9, Hungary. PFI has not yet received a response from the Hungarian authorities regarding the completion of this service.

3. MKB Bank Zrt. ("MKB")

MKB has been dismissed as a defendant in the Chicago district court action, and the Seventh Circuit Court of Appeals has affirmed. Consequently, plaintiffs in this case do not intend to pursue the case against MKB in this action, and have no objection to the dismissal of MKB as a named defendant in this case.

CONCLUSION

In view of the foregoing, it is respectfully requested that plaintiffs be given three additional months to complete service on defendants Erste and MNB. Plaintiffs have no objection to proceeding with the scheduled motion practice as set forth in the Minute entry of December 7, 2012 with regard to defendant Bayerische Landesbank. It is anticipated that the defenses raised by MNB will be somewhat different from those raised by Bayerische Landesbank, since MNB has already raised the sovereign immunity defense in the related Chicago district court action.

Respectfully submitted,

/s/

Kenneth F. McCallion

Of Counsel: Professor Richard Weisburg
Cardozo School of Law

cc: Mark G. Hanchet, Esq.

² Due to the ill-health of the plaintiff, the deposition scheduled to take place in Tel Aviv on March 6-7, 2013 was postponed.

EXHIBIT A

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

ABELESZ, et al.,

Plaintiffs,

v.

MAGYAR NEMZETI BANK, et al.,

Defendants.

Civil Case No. 10-1884

Honorable Samuel Der-Yeghiayan

Magistrate Judge Ashman

**STIPULATION PRESERVING
MAGYAR NEMZETI BANK'S
CLAIM OF SOVEREIGN
IMMUNITY**

WHEREAS, Plaintiffs have noticed certain *examinations de bene esse* for this action;

WHEREAS, the foregoing *examinations de bene esse* also have been noticed for a parallel action pending in the Eastern District of New York, 1:12-CV-03328-WFK-RER (the "New York Action"), in which Magyar Nemzeti Bank ("MNB") has not yet been served with process;

WHEREAS, the issue of whether MNB is entitled to sovereign immunity remains pending;

WHEREAS, it reasonably is anticipated that MNB will assert sovereign immunity in the New York Action;

WHEREAS, Plaintiffs have maintained that MNB is not entitled to sovereign immunity, and


WHEREAS, MNB wishes to cooperate in abiding by Plaintiffs' request for the *examinations de bene esse* pending a determination of MNB's sovereign immunity;

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IT IS HEREBY STIPULATED AND AGREED BY THE UNDERSIGNED, that MNB's participation in *examinations de bene esse* is not, and shall not be deemed, a waiver of MNB's sovereign immunity defense, and shall not be cited or used in any way to contradict or oppose any assertion of sovereign immunity by MNB.

Dated: New York, New York
February 28, 2013

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SO ORDERED:

U.S.D.J.